

Introduced by Senator Florez

February 6, 2006

An act to add and repeal Sections 40602.5 and 44282.5 of, and to add and repeal Chapter 5.8 (commencing with Section 40610) of Part 3 of Division 26 of, the Health and Safety Code, relating to air pollution.

LEGISLATIVE COUNSEL'S DIGEST

SB 1230, as introduced, Florez. San Joaquin Valley Clean Air Enterprise Zones.

(1) Existing law imposes various limitations on emissions of air contaminants for the control of air pollution from vehicular and nonvehicular sources. Existing law generally designates the State Air Resources Board as the state agency with the primary responsibility for the control of vehicular air pollution, and air pollution control districts and air quality management districts with the primary responsibility for the control of air pollution from all sources other than vehicular sources. Existing law establishes the San Joaquin Valley Unified Air Pollution Control District, consisting of the Counties of Fresno, Kings, Madera, Merced, San Joaquin, Stanislaus, and Tulare, and that portion of the County of Kern that is within the San Joaquin Valley Air Basin, and requires the district to adopt and enforce rules and regulations to achieve and maintain ambient air quality standards, as provided. Existing law also establishes the Carl Moyer Memorial Air Quality Standards Attainment Program to generally provide grants to eligible projects to reduce stationary sources of air pollution.

This bill would establish the Clean Air Enterprise Zone Program in the state board for the purpose of creating of one or more clean air enterprise zones, as defined, within the geographic boundaries of the

San Joaquin Valley Unified Air Pollution Control District in order to provide incentives for owners of stationary sources of air pollution to invest in air pollution control equipment that produces surplus and quantifiable emission reductions, as provided. The bill would permit the Business, Transportation and Housing Agency to propose any area in the district as a clean air enterprise zone, and to would require the agency to submit those proposals to the state board for certification of those areas as clean air enterprise zones. The bill would require the state board to certify an area as a clean air enterprise zone if specified requirements are met. Upon certification of an area as a clean air enterprise zone, the bill would require the state board and the district to enter into enforceable agreements with any interested owner of a stationary source of air pollution within the clean air enterprise zone to perform specified functions in exchange for priority for grants under the Carl Moyer Memorial Air Quality Standards Attainment Program and priority for permits granted by the district. The bill would provide that its provisions would be repealed on January 1, 2013. Because this bill would require the San Joaquin Valley Unified Air Pollution Control District to perform specified functions, this bill would impose a state-mandated local program.

This bill would make legislative findings and declarations as to the necessity of a special statute.

(2) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: yes.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 40602.5 is added to the Health and
- 2 Safety Code, to read:
- 3 40602.5. (a) The district shall establish an expedited permit
- 4 review process for each owner of any stationary source of air
- 5 pollution that enters into an enforceable agreement with the state
- 6 board and the district, pursuant to Section 40613.

1 (b) This section shall remain in effect until January 1, 2013,
2 and as of that date is repealed, unless a later enacted statute
3 extends or repeals that date.

4 SEC. 2. Section 44282.5 is added to the Health and Safety
5 Code, to read:

6 44282.5. (a) The state board shall give grant preference to
7 any eligible project from an owner of any stationary source of air
8 pollution that enters into an enforceable agreement with the state
9 board and the San Joaquin Valley Unified Air Pollution Control
10 District, pursuant to Section 40613.

11 (b) This section shall remain in effect until January 1, 2013,
12 and as of that date is repealed, unless a later enacted statute
13 extends or repeals that date.

14 SEC. 3. Chapter 5.8 (commencing with Section 40610) is
15 added to Part 3 of Division 26 of the Health and Safety Code, to
16 read:

17
18 CHAPTER 5.8. SAN JOAQUIN VALLEY CLEAN AIR ENTERPRISE
19 ZONES
20

21 40610. For the purpose of this chapter, “clean air enterprise
22 zone” means an area that meets all of the following criteria:

23 (a) The area is located within the San Joaquin Valley Unified
24 Air Pollution Control District, and does not exceed two square
25 miles in size.

26 (b) The area is in compliance with all ambient air quality
27 standards set by the state board for the San Joaquin Valley Air
28 Basin pursuant to Section 39606 and regulations adopted
29 thereunder.

30 40611. The Clean Air Enterprise Zone Program is hereby
31 established in the state board for the purpose of creating of one or
32 more clean air enterprise zones, as defined in Section 40610,
33 within the geographic boundaries of the San Joaquin Valley
34 Unified Air Pollution Control District to provide incentives for
35 owners of stationary sources of air pollution to invest in air
36 pollution control equipment that produces surplus and
37 quantifiable emission reductions exceeding requirements
38 established under this part and any regulations established
39 thereunder.

1 40612. (a) The Business, Transportation and Housing
2 Agency, in consultation with the San Joaquin Valley Unified Air
3 Pollution Control District and any other interested party, may
4 propose any area in the San Joaquin Valley Unified Air Pollution
5 Control District as a clean air enterprise zone, and shall submit
6 those proposals to the state board for certification of those areas
7 as clean air enterprise zones.

8 (b) The state board, in a duly noticed public meeting, shall
9 certify each area proposed by Business, Transportation and
10 Housing Agency as a clean air enterprise zone if both of the
11 following requirements are met:

12 (1) The state board finds all of the following:

13 (A) The San Joaquin Valley Unified Air Pollution Control
14 District is currently a serious nonattainment area for particulate
15 matter.

16 (B) The San Joaquin Valley Unified Air Pollution Control
17 District is currently a severe or extreme nonattainment area for
18 ozone.

19 (C) There are insufficient incentives available to the owners of
20 stationary sources of air pollution within the proposed area to
21 promote air pollution equipment replacement and modernization
22 beyond that required by law.

23 (2) The area meets the definition of a clean air enterprise zone
24 set forth in Section 40610.

25 40613. (a) The state board and the San Joaquin Valley
26 Unified Air Pollution Control District shall enter into an
27 enforceable agreement with any interested owner of any
28 stationary source of air pollution within a clean air enterprise
29 zone that does all of the following:

30 (1) Requires the owner of the stationary source of air pollution
31 to invest in, and maintain for its rated lifetime, air pollution
32 control equipment that reduces pollution at least thirty percent
33 beyond that otherwise required, or in the alternative, replace old
34 air pollution equipment at least fifty percent sooner than
35 otherwise required.

36 (2) Requires the owner of the stationary source of air pollution
37 to scrap any air pollution control equipment replaced.

38 (b) The state board shall give every owner of any stationary
39 source of air pollution that enters into an enforceable agreement
40 priority for grants for eligible expenditures under the Carl Moyer

1 Memorial Air Quality Standards Attainment Program,
2 established pursuant to Chapter 9 (commencing with Section
3 44275) of Part 5, until January 1, 2013.

4 (c) The San Joaquin Valley Unified Air Pollution Control
5 District shall give every owner of any stationary source of air
6 pollution that enters into an enforceable agreement priority for
7 permits or other authorizations issued by the district, until
8 January 1, 2013.

9 (d) The state board shall distribute an informational brochure
10 that contains all available tax credits, low-interest loans, and all
11 other financial incentives, authorized by law or regulation, to
12 each interested owner of any stationary source of air pollution.

13 40614. This chapter shall remain in effect until January 1,
14 2013, and as of that date is repealed, unless a later enacted statute
15 extends or repeals that date.

16 SEC. 4. The Legislature finds and declares that a special law
17 is necessary and that a general law cannot be made applicable
18 within the meaning of Section 16 of Article IV of the California
19 Constitution because of the unique difficulties faced by the San
20 Joaquin Unified Air Pollution Control District in attempting in
21 good faith to preserve its air quality, and the uniquely severe
22 public consequences that would be faced by the counties located
23 in the San Joaquin Valley in the absence of the relief provided by
24 this act.

25 SEC. 5. No reimbursement is required by this act pursuant to
26 Section 6 of Article XIII B of the California Constitution because
27 a local agency or school district has the authority to levy service
28 charges, fees, or assessments sufficient to pay for the program or
29 level of service mandated by this act, within the meaning of
30 Section 17556 of the Government Code.